North Carolina General Assembly Legislation with Potential Impact on the City of Asheville Budget - 2015 Regular Session - Updated 10/13/15 Like all municipalities in North Carolina, Asheville has unique economic, environmental, and cultural interests. Maintaining municipal authority to promote, regulate, and celebrate these interests is essential to enable local officials to best address **Advocacy Principle:** *Municipal Authority* Monitor Bill Notes Policy Issue Bills Legislative Agenda Cross Over Status H875 would require county commission approval of all municipal condemnation actions outside a municipality's corporate limits (with limited exceptions). The bill essentially gives county commissioners a veto over municipal officials' decisions. - Converted to a Eminent Domair Ch. SL 2015-240 9/17/15 Ratified; Ch. SL 2015-240 local bill. This bill directs the Department of Transportation to perform a study on the bicycle safety laws in North Carolina and provide 5/26/15 Ratified; 5/27/15 Pres. To Gov.; 6/2/15 Signed by Gov.; Ch. SL H232 Study/Update Bicycle Ch. SL 2015-45 Bicycle Safety afety Laws. recommendations as to how the laws may be revised to better ensure the safety of bicyclists and motorists on the roadways. 2015-45 S394 increases the legal liability for local government boards that act to regulate firearms, including disallowing "acting in good faith or upon advice of counsel" as a defense and authorizing additional remedies (such as attorney's fees) for plaintiffs bringing suit Regulations of 394 Preemption Affirmation (Senate) 3/24/15 Filed; 3/25/15 Passed 1st Reading; Ref To Com On Rules against local governments; expands the scope of prohibitions on local government regulation of firearms by adding "taxation, Fire Arms and Operations of the Senate manufacture, or transportation" to the list of prohibited local government regulations Digital 680/ S541 Regulate ransportation Network Ratified, pending Gov. Dispatching 8/31/15 Ratified; 9/1/15 Pres. To Gov. Services 8/20/15 Ratified; 8/21/15 Pres. To Gov.; 8/25/15 Signed by Gov.; Ch. SL S446 Dealer Loaners/Unmar Ch. SL 2015-232 Drones ircraft/Brunswick Co. 2015-232

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Advocacy I	Advocacy Principle: Municipal Revenue The fiscal health and responsibility of municipalities require stable revenue sources that are proportionate to the need for local services. Responsible fiscal management requires the protection of revenue sources both under, and outside of, municipal control.					
Policy Issue	Bills	Monitor	Bill Notes	Legislative Agenda	Cross Over	Status
Sales Tax Redistribution	2015 Appropriations Act.	•••	The budget provides new sales tax revenue through the expansion of the sales tax base to the repair, maintenance, and installation of tangible personal property. That new revenue is used to help fund a total of \$84.8 million which is taken from local sales tax collections and distributed to 79 counties. In addition to the revenue from the base expansion, the state will annually transfer \$17.6 million of its state sales tax collections to local sales tax collections to help fund this new distribution. The \$84.8 million transfer will be adjusted annually based on the overall gain or loss in sales tax collections. Counties must spend the new money received on public education, economic development, or community colleges.		Ch. SL 2015-241	9/18/15 Ratified; Pres. To Gov; 9/18/15; Signed by Gov. 9/18/15; Ch. SL 2015-241
Transportation Funding	S20/ H40 IRC Update/Motor Fu Tax Changes	el	The bill will very quickly cut the state motor fuels tax by 2.5 cents per gallon, but subsequently create a new, higher floor for the tax which should provide stability for the transportation revenue stream going forward. Cities and towns maintain the majority of road miles within their borders, and roughly one quarter of the money spent for this purpose comes from state Powell Bill funds. If the gas tax remains unchanged, it is expected to fall by as much as 6 to 8 cents per gallon.		Ch. SL 2015-2	3/31/15 Ratified; Pres. To Gov.; Signed by Gov.; Ch. SL 2015-2
Local Debt	H97 2015 Appropriations Act.	•••	Legislators adopted compromise language on Municipal Service Districts (MSDs) in the final budget. This revised language set parameters on the contracts cities make with private entities to provide services within an MSD; required all moneys raised in these districts meet the needs of the district; and directed an interim study regarding whether district property owners should have the right to petition for removal from that district, even though current state law already sets up specific procedures for the elimination of a municipal service district.		Ch. SL 2015-241	9/18/15 Ratified; Pres. To Gov; 9/18/15; Signed by Gov. 9/18/15; Ch. SL 2015-241
Tax Value for Property Improvements	H168/ S321 Exempt Builders' Inventory.		H168 would exclude from builders' property taxes any increase in property value attributable to subdivision or other improvements made to the property until the builder sold the property. H168 would limit the amount of time a builder could exclude the improved property value from taxation to five years.		Ch. SL 2015-223	8/13/15 Ratified; 8/14/15; Pres. To Gov.; 8/18/15 Signed by Gov.; Ch. SL 2015-223
PSAPs	H730 County Provide 911 Dispatch Services.	•••			Ch. SL 2015-261	9/28/15 Ratified; 9/29/15 Pres. To Gov.; 9/30/15 Signed by Gov.; 9/30/15 Ch. SL 2015-261
	H512 Amend/Clarify Back-Up_PSAP Requirements.	•••	H512 would give local governments more flexibility in meeting requirements that primary 911 centers have back-up capability. The Senate version of HB 512 Amend/Clarify Back-Up PSAP Requirements also includes a provision that would prevent municipalities from being additionally charged for county services when those services are already funded through county property taxes. Specifically, the bill would, in many circumstances, prevent municipal taxpayers from paying for the operation of county-run 911 center if those taxpayers' county ad valorem taxes are already going to pay for that operation. The Senate added language so that the protection does not supersede any existing agreements between cities and counties. The bill now goes back the House for consideration of the Senate changes.		Ch. SL 2015-219	8/11/15 Ratified; 8/12/15 Pres. To Gov.; Pres. To Gov.; 8/18/15 Signed by Gov.; Ch. SL 2015-219

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Advocacy Principle: Mandates Unfunded and burdensome legislative and regulatory mandates undermine the efficiency, effectiveness and success of municipal programs and services.						
Policy Issue	Bills	Monitor	Bill Notes	Legislative Agenda Cross Over	Status	
E-Verify	H318 Protect North Carolina Workers Act.	•••	This bill will increase the number of employers who are required to participate in the federal e-verify program; to undo the e-verify changes enacted in S.L. 2014-119; to repeal the e-verify exemption for temporary employees; to exclude farm workers from the definition of employee; to give the Department of Labor the authority to enforce e-verify requirements pertaining to county and city contractors and subcontractors; and to provide that certain consulate or embassy documents may not be used to determine a person's identification or residence for governmental and law enforcement purposes.	Ratified	9/29/15 Ratified; 9/30/15 Pres. To Gov.	
Police Body/ Dashboard Cameras	H97 2015 Appropriations Act.		Legislators have set aside \$5 million in the state budget to provide matching grants to local law enforcement agencies in order to equip them with police body-worn cameras. The money will be made available in FY 2015-16 and FY 2016-17, with \$2.5 million provided in each fiscal year. The maximum grant that an agency can receive is \$100,000 and the grants require a 2-to-1 local match. The Governor's Crime Commission is charged with setting up the program and creating grant guidelines. The provision establishing the matching grants is Sec. 16A.8 and can be found on page 303 of the budget bill.	Ch. SL 2015-241	9/18/15 Ratified; Pres. To Gov; 9/18/15; Signed by Gov. 9/18/15; Ch. SL 2015-241	

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Advocacy P	Advocacy Principle: Economic Vitality An economically vital community enables Asheville to provide for opportunity, mobility, and a high quality of life for its residents.					
Policy Issue	Bills	Monitor	Bill Notes	Legislative Agenda	Cross Over	Status
Economic Development	H117 NC Competes Act.		H117 NC Competes Act would double an existing cap on funding for the state's key jobs recruitment program, the Jobs Development Investment Grant program. It also would restore money for an infrastructure grant program.		Ch. SL 2015-259	9/24/15 Ratified; 9/25/15 Pres. To Gov.; 9/30/15 Signed by Gov.; Ch. SL 2015-259
Jobs Development Investment Grant	H117 NC Competes Act.	•••	The compromise would increase the cap on incentive awards to \$20 million a year. The cap would be increased to \$35 million for any year in which the state has a "high-yield" jobs deal where a company invests at least \$500 million and adds at least 1,750 jobs.		Ch. SL 2015-259	9/24/15 Ratified; 9/25/15 Pres. To Gov.; 9/30/15 Signed by Gov.; Ch. SL 2015-259
Historic Preservation Tax Credits	H97 2015 Appropriations Act.	•••	The budget bill signed by the Governor this week includes a historic preservation tax credit. The provision establishes a sunset expiration date for the tax credit on Jan. 1, 2020. The provision creates a tax credit of 10 to 20 percent of rehabilitation expenses for qualifying buildings and homes. In poorer Tier 1 and Tier 2 counties and for projects under \$10 million, the higher percentage would apply.		Ch. SL 2015-241	9/18/15 Ratified; Pres. To Gov.; Signed by Gov.; Ch. SL 2015-241
Film Grant Fund	S472 Local Incentives for Historic Rehabilitation.				Ratified; Pending Gov. Signature	9/23/15 Ratified; 9/24/15 Pres. To Gov.
State Budget	H97 2015 Appropriations Act.	•••	H97 increases overall state spending by 6.3%, includes historic rehabilitation tax credit program, includes additional money for film grant program, and increases money going to grant programs cities utilize, such as Clean Water Management Trust Fund, state water and wastewater infrastructure grant programs, and Main Street Solutions program. Things of concern for cities: H97 reduces gas tax, which would reduce municipal streets funding (Powell Bill funds) by approximately 5% beginning in Fiscal Year 2016-17, and includes a study of issues related to police body cameras, including implementation, training, and records retention and access.		Ch. SL 2015-241	9/18/15 Ratified; Pres. To Gov; 9/18/15; Signed by Gov. 9/18/15; Ch. SL 2015-241
Advocacy Principle: City Services The City of Asheville, which provides high quality services to meet the dynamic needs of its residents, requires adequate authority and flexibility to finance, operate, and manage these services.						
Policy Issue	Bills	Monitor	Bill Notes	Legislative Agenda	Cross Over	Status
Parking Meters	S52 Cities/Means For Activating Parking Meters.	•00	This bill allows parking meters to be activated by coins, tokens, cash, credit cards, debit cards, or electronic means. The Asheville City Council requested this state-wide authority through its Legislative Agenda.	✓	Ch. SL 2015-226	8/19/15 Ratified; 8/20/15 Pres. To Gov.; 8/25/15 Signed by Gov.; Ch. SL 2015-226

North Carolina General Assembly Legislation with Potential Impact on the City of Asheville Budget - 2015 Regular Session - Updated 10/13/15 Asheville, the largest city in Western North Carolina, is nationally known for its natural beauty, rich architectural legacy, and entrepreneurial energy. In order to promote economic vitality in a manner that maintains the unique features that make our **Advocacy Principle:** Community Standards community a desirable place to live, work, and play, municipalities and local officials need to be enabled with the tools and authority to make local decisions. Policy Issue Bills Monitor Bill Notes Legislative Agenda Cross Over Status H721 Subdivision Planning and 7/29/15 Ratified; 7/30/15 Pres. To Gov.; 8/5/15 Signed by Gov.; Ch. SL Ordinance/Land Develop. Ch. SL 2015-187 Zoning 2015-187 Changes. **Building Code** Gov. Pat McCrory signed into law HB 255 Building Code Reg. Reform, which puts tighter standards in place regarding the conduct 7/2/15 Ratified; 7/6/15 Pres. To Gov.; 7/13/15 Signed by Gov.; Ch. SL 1255/ S324 Building Code Reg. Ch. SL 2015-145 and Inspections of local building inspectors. Would make the act of graffiti vandalism a Class I felony if either of the following applies: 1) The cost to repair damage caused by the violation is in excess of \$1,000. 2) The person has 2 or more prior convictions. If a person is convicted of 5 or more violations in a 6/2/15 Ratified; 6/3/15 Pres. To Gov.; 6/11/15 Signed by Gov.; Ch. SL Graffiti Penalties H552 Graffiti Vandalism. Ch. SL 2015-72 single session of district court or in a single week of superior court, and at least 5 of the offenses occurred within a 60-day period, the 2015-72 court shall consolidate the offenses for judgment and the consolidated offenses shall be punishable as a Class I felony. The House passed HB 201 Zoning Changes/Citizen Input last week, and has been sent to Governor McCrory for signature. The protest petition process had allowed adjacent property owners to force a three-fourths supermajority vote on city council land use 201 Zoning Changes/Citizen Protest Petitions Ch. SL 2015-160 7/16/15 Ratified; 7/17/15 Pres. To Gov.; Signed by Gov.; Ch. SL 2015-160 decisions such as rezonings. In place of the petition, the law would allow for advance written public comment on any proposed rezoning, which the municipality's clerk would be required to deliver to board members at least two days in advance of any vote. Ratified; Pending Gov. 1765 Regulatory Reform Act of 9/30/15 Ratified; 10/1/15 Pres. To Gov. ignature H44/ S53 Local Government Regulatory Ch. SL 2015-246 9/21/15 Ratified; 9/22/15 Pres.; 9/23/15 Signed by Gov.; Ch. SL 2015-246 legulatory Reform 2015. Reform H836 Local Government Ch. SL 2015-103 6/22/15 Ratified; Pres. To Gov; Signed by Gov.; Ch. SL 2015-103 egulatory Reform. This bill increases the permit fees for outdoor advertising, establishes a reasonable timeframe for making agency decisions regarding (House) 3/18/15 Filed; 3/19/15 Passed 1st Reading; 3/19/15 Ref to the Com on permits and appeals, clarifies the standards for determining just compensation in state and local government eminent domain actions H304/S320 Revisions to Commerce and Job Development, if favorable, Finance; (Senate) 3/17/15 Filed; Bill Boards Not Subject to Cross Over Outdoor Advertising Laws. that cause the removal of lawfully erected outdoor advertising, clarifies provisions of the Outdoor Advertising Control Act, and 3/18/15 Passed 1st Reading; Ref To Com On Rules and Operations of the Senate; promotes uniformity of regulation and modernization of outdoor advertising. 3/24/15 Withdrawn From Com; Re-ref to Commerce. If fav, re-ref to Finance This legislation would prevent municipalities from imposing design and aesthetic controls on certain family dwellings, including Design and 6/10/15 Ratified; 6/11/15 Pres. To Gov.; 6/19/15 Signed by Gov.; Ch. SL H36/ S25 Zoning/Design and exterior color, roof style, location of windows and doors, etc. Historic districts are exempted from this bill. S25 has passed the Senate Ch. SL 2015-86 Aesthetic esthetic Controls. 2015-86 and could be considered by House. Controls

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= Consistent with City of Asheville Interests		
= Monitor	= Consistent with the Asheville City Council's Legislative Agenda	
= Potentially Inconsistent with City of Asheville Interests	X = Inconsistent with the Asheville City Council's Legislative Agenda	